

# HOUSE BILL 199

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HB 390/09 – W&M

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By: **Delegates Pendergrass, Carr, Conaway, Costa, DeBoy, Guzzone, McDonough, Mizeur, Montgomery, Robinson, Smigiel, Sophocleus, Sossi, F. Turner, and Walkup**

Introduced and read first time: January 22, 2010

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Homestead Property Tax Credit – Eligibility of Employees of the Federal**  
3 **Government Stationed Outside the State**

4 FOR the purpose of providing that under certain circumstances a homeowner who is  
5 an employee of the federal government stationed outside the State may qualify  
6 for the homestead property tax credit if the homeowner is otherwise eligible for  
7 the credit but does not actually reside in a dwelling for the required time period;  
8 providing for the calculation of the homestead property tax credit for a certain  
9 taxable year under certain circumstances; providing for the application of this  
10 Act; and generally relating to the homestead property tax credit.

11 BY repealing and reenacting, without amendments,  
12 Article – Tax – Property  
13 Section 9–105(a)(1) through (3) and (b)  
14 Annotated Code of Maryland  
15 (2007 Replacement Volume and 2009 Supplement)

16 BY adding to  
17 Article – Tax – Property  
18 Section 9–105(c)(6)  
19 Annotated Code of Maryland  
20 (2007 Replacement Volume and 2009 Supplement)

21 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That the Laws of Maryland read as follows:

23 **Article – Tax – Property**

24 9–105.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) (1) In this section the following words have the meanings indicated.

2 (2) (i) “Dwelling” means:

3 1. a house that is:

4 A. used as the principal residence of the homeowner; and

5 B. actually occupied or expected to be actually occupied  
6 by the homeowner for more than 6 months of a 12-month period beginning with the  
7 date of finality for the taxable year for which the property tax credit under this section  
8 is sought; and

9 2. the lot or curtilage on which the house is erected.

10 (ii) “Dwelling” includes:

11 1. a condominium unit that is occupied by an individual  
12 who has a legal interest in the condominium;

13 2. an apartment in a cooperative apartment corporation  
14 that is occupied by an individual who has a legal interest in the apartment; and

15 3. a part of real property used other than primarily for  
16 residential purposes, if the real property is used as a principal residence by an  
17 individual who has a legal interest in the real property.

18 (3) “Homeowner” means an individual who has a legal interest in a  
19 dwelling or who is an active member of an agricultural ownership entity that has a  
20 legal interest in a dwelling.

21 (b) If there is an increase in property assessment as calculated under this  
22 section, the State and the governing body of each county and of each municipal  
23 corporation shall grant a property tax credit under this section against the State,  
24 county, and municipal corporation property tax imposed on real property by the State,  
25 county, or municipal corporation.

26 (c) **(6) (I) THIS PARAGRAPH APPLIES IF:**

27 **1. THE CREDIT UNDER THIS SECTION HAS BEEN**  
28 **DENIED FOR A DWELLING FOR ANY TAXABLE YEAR BECAUSE OF THE**  
29 **HOMEOWNER’S FAILURE TO OCCUPY THE DWELLING FOR THE REQUIRED TIME**  
30 **PERIOD; AND**

31 **2. THE HOMEOWNER’S FAILURE TO OCCUPY THE**  
32 **DWELLING FOR THE REQUIRED TIME PERIOD WAS THE RESULT OF THE**

1 HOMEOWNER'S BEING AN EMPLOYEE OF THE UNITED STATES GOVERNMENT  
2 TEMPORARILY STATIONED OUTSIDE THE STATE.

3 (II) SUBJECT TO SUBPARAGRAPH (III) OF THIS PARAGRAPH,  
4 A HOMEOWNER OTHERWISE ELIGIBLE FOR A CREDIT UNDER THIS SECTION MAY  
5 QUALIFY FOR THE CREDIT FOR A DWELLING TO WHICH THIS PARAGRAPH  
6 APPLIES FOR THE NEXT TAXABLE YEAR FOLLOWING THE HOMEOWNER'S  
7 RESUMPTION OF RESIDENCY IN THE DWELLING.

8 (III) THE CREDIT ALLOWED UNDER THIS PARAGRAPH SHALL  
9 BE CALCULATED BASED ON THE PRIOR YEAR'S TAXABLE ASSESSMENT OF THE  
10 DWELLING DETERMINED AS IF THE CREDIT HAD NOT BEEN LOST FOR THE  
11 INTERVENING TAXABLE YEARS WHEN THE HOMEOWNER WAS AN EMPLOYEE OF  
12 THE UNITED STATES GOVERNMENT STATIONED OUTSIDE THE STATE.

13 SECTION 2. AND BE IT FURTHER ENACTED, That, if a homeowner was  
14 denied the homestead property tax credit for a dwelling under § 9-105 of the Tax –  
15 Property Article for any taxable year beginning before July 1, 2010, because of the  
16 homeowner's failure to occupy the dwelling in accordance with § 9-105 of the Tax –  
17 Property Article and the homeowner's failure to occupy the dwelling was the result of  
18 the homeowner's being a federal government employee temporarily stationed outside  
19 the State, the homeowner may qualify for the homestead property tax credit for the  
20 next taxable year following the homeowner's resumption of residency. The homestead  
21 property tax credit for the taxable year beginning July 1, 2010, shall be calculated  
22 based on the prior year's taxable assessment of the property determined as if the  
23 homeowner had continuously qualified for the homestead property tax credit.

24 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25 June 1, 2010, and shall be applicable to all taxable years beginning after June 30,  
26 2010.